



Comptroller of the Currency
Administrator of National Banks

Washington, DC 20219

September 28, 1999

Letter to the Editor:

As the regulator of the national banking system, I know that many Americans may be wondering if their banks are ready for the year 2000. That is a legitimate question, and I'd like to answer it by saying that, yes, federally insured banks are ready for Y2K. They are ready because they have devoted more than two years and many billions of dollars to the task. Federal regulators have been checking on their progress every step of the way. As a result, the safest place for bank customers' money is still in a bank.

It is very important that people know their banks are prepared for the Year 2000. Now that the systems are ready, I am worried about the human factor -- that people will make themselves vulnerable to theft or loss by withdrawing cash from the bank and putting it in their wallets or hiding it under their mattresses. As we get closer to the New Year, Y2K rumors and scare stories will increase. Research commissioned by federal bank regulators shows that people expect the media to promote such stories, and they worry that others will overreact because of it.

We already have seen instances where scam artists have persuaded bank customers to give out account numbers under the pretense that their money was being moved into Y2K-safe accounts. Federal regulators have been working to get the message out that a bank will never call to ask a customer for an account number -- the bank already has it. Bank customers need to do their part to educate themselves about the Y2K issue. They should talk to a trusted source, such as their banker. Information also is available through the Web sites and customer hotlines of bank regulators.

All of the federal regulators of financial institutions -- the Office of the Comptroller of the Currency, the Federal Reserve Board, the Federal Deposit Insurance Corporation, the Office of Thrift Supervision and the National Credit Union Administration -- have made clear that we are confident in the Y2K preparations of insured financial institutions.

I believe the banking industry will pass the Y2K test with flying colors. Banks have made a firm commitment to ensure that their customers maintain access to bank accounts and account information. And that commitment is as good as money in the bank.

Sincerely,

John D. Hawke, Jr.
Comptroller of the Currency

Comptroller Hawke is responsible for the supervision of the 2,500 banks that make up the national banking system. This includes most of the country's largest banks, as well as more than 2,000 community banks nationwide.

You can receive more information by consulting the Web sites or customer hotlines of federal financial institution regulators, such as the OCC (www.occ.treas.gov/y2k/default.htm, 1-800-613-6743), the Federal Reserve Board (www.federalreserve.gov), the Federal Deposit Insurance Corporation (www.fdic.gov), the Office of Thrift Supervision (www.ots.gov) and the National Credit Union Administration (www.ncua.gov). To learn about other industries, consult the President's Council on Year 2000 Conversion (www.y2k.gov, 1-888-Y2K-4USA).